Optimising Diversity in Future Talent Recruitment

Introduction

The diversity of future talent programmes is receiving ever more attention in light of recent events – most obviously the Black Lives Matter movement, which was brought back into focus by the death of George Floyd - and more recently, the tragic murder of Sara Everard which has put a spotlight on gender stereotypes and privilege.

It's true to say that despite the sadness and downsides of the pandemic, there have been some positives - skies are bluer, fewer cars are crashing, paper usage is down, crime is falling, and some other infectious diseases are fading from hospital emergency departments. Also, people have focused on what really matters, having realised that there are no taboos or sacred cows and that humans are capable of far more radical change in a far shorter time than we might have believed.

Data is also the other provoker of change here. Global multi-nationals are finally getting the data they need to understand the extent of the problems they need to address. They see incontrovertible evidence that something needs to change.

As an organisation, Amberjack has always had a heavy focus on and commitment to inclusivity and the optimisation of diversity, but over the past year, we've felt an increasing level of responsibility and accountability for helping the industry we represent – the Future Talent Industry – to raise the bar further and face headlong into what are very complex but hugely important issues.

But it's hard, and there's no silver bullet solution. Instead, the purpose of this paper is to offer a deep dive into the root of what D&I is and isn't. We'll look at the more technical areas of bias and positive action and provide clear guidance on best practice for assessment processes.

1. Diversity
Representation Vs Diversity of thought

Diversity refers to the existence of different characteristics in a group of people. It's traditionally associated with the things that shape our identity (for example, race, age, gender, religion, sexual orientation, cultural background). It does, however, cover everything that makes us unique, such as our cognitive skills and personality traits as well.

To drive an optimally effective diversity strategy, it's vital to first understand what drives the focus on diversity within your organisation.

At a basic level, some organisations are keen to manage risk and ensure they're compliant with the Equality Act requirements. They're not committed to Diversity and Inclusivity in its truest sense but want to ensure that they do not discriminate against protected groups through their recruitment processes. Until recently, whilst there were clear exceptions to this rule, most organisations probably fell into this group.

Today, however, we see an increasing number of organisations looking at diversity more strategically. Typically, these organisations see two key objectives:

- The need for their employee population to more directly reflect the diversity of their customer base and community.
- To ensure that they benefit from true diversity of thought (it has been proven beyond doubt that there's a positive correlation between organisational diversity and both the robustness of decision making and creativity and innovation).

You may instinctively feel that your organisation is motivated by achieving both outcomes. Most organisations would like to benefit from diverse thinking and be obviously diverse in terms of representation from all groups. In virtually every situation, however, one of these things is likely to be the stronger driver, and it's beneficial to properly understand which one it is for your business as this subtle distinction will often result in different decisions, especially when it comes to selection process design.

True diversity, as in diversity of thought, extends beyond the things that we can see. It also covers things that we can't see – the ways we think.

Whilst cultural diversity and diversity of life experience is crucial, arguably just as critical is cognitive diversity. Organisations need to have a mix of people who look at facts and detail, think about the next steps and planning, and focus on feelings and emotion and bring creative thought. None of us bring just one of those things, but we all have tendencies in one area over others. We can have a team full of cultural Diversity and Diversity of life experience but who have a predominant leaning towards one or two of these thinking styles, making them very vulnerable or under-performant in the others. Similarly, to be truly diverse, organisations need people who have different personality types.

As well as recognising that true diversity of thought is broader than traits like Ethnicity/Age/Religion/Gender etc, it's important to recognise that achieving representation from different groups does not guarantee diversity of thought.

Critically, if organisations are looking for true diversity, we need to target true difference, rather than finding people who might look different on the outside but actually behave and think in the same way. We need, for example, for organisations to embrace the applications of people of Black Heritage for all the reasons why those applicants are different from white applicants, rather than trying to find those applicants of Black Heritage who would merely maintain the status quo, rather than contributing a different perspective.

If you significantly adjust your organisation's diversity and introduce truly diverse thinking, you will create very substantial change. There's no question. You will genuinely influence the culture and disrupt the power balance.

The people who are guardians of the status quo will not realise that they are the problem. They're quite possibly the people who are asking you to look at this area and prioritise it. They think they're fair and balanced but will be recruiting in their own image. Through no fault of their own, their perceptions of good performance are anchored in what they have experienced. This is also heavily influenced by their own background and achievement and is limited because they've not experienced the contributions of those underrepresented in their organisation.

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2. Indirect Bias vs Raw Bias
Bias is a tendency to lean in a certain direction.

To optimise the diversity of your organisations, you need to ensure that your recruitment processes don't have bias.

Now clearly, your assessment process is designed to have bias – it's designed to lean in the direction of people suited for the job. However, we need to ensure that there is no unintended bias – i.e. that it doesn't lean in the direction of only one group of people. In the context of selection, typically, bias means a tendency to select applicants that are similar to your organisation's majority group.

If we go a step further, there's a distinction between what we refer to as Indirect Bias and what we call Raw Bias.

Raw Bias occurs when a minority group is selected at a lower level than the majority group, specifically because of the minority group characteristics. i.e. females are being selected at a lower rate than males and there's no other reason for this difference in selection rate.

Indirect Bias is a little more complex. Indirect bias occurs when a minority group is less likely to meet a hiring criterion than the majority group. Sticking with gender for example, females are statistically less likely to meet a hiring criterion that requires them to be 6ft tall than men are. Therefore, to require applicants to be 6ft for a role would introduce indirect bias against women. When we play this into the Future Talent world, one of the biggest areas of Indirect bias is typically linked to Educational Advantage. If we assess for any criteria which correlates with academic success, we run the risk of bias towards people from socially disadvantaged backgrounds. There's a direct correlation between education and social disadvantage and, because there's also a correlation between social disadvantage and ethnicity, particularly when it comes to Black Heritage, we are likely towards Black applicants and applicants of low SES.

From a technical perspective, bias, regardless of its form, is often referred to as Adverse Impact. If a group is adversely impacted by a selection process, it means they are less likely to get the job than another group. When this occurs, it's because the rate of selection for the minority group is lower than the rate of selection for a majority group. For a process to be bias-free, we expect that for every 100 majority group candidates selected, 100 minority group candidates will also be selected. Where that occurs, we talk about a selection rate of 1 for 1 and a selection rate of at least 1 for 1 (it might be higher than 1 if you're applying positive action, but we'll come on to that later) is the objective of an inclusive recruitment process designed to optimise diversity.

If we dwell on that thought a little, the fundamental flaw becomes obvious. In order for that 1 for 1 ratio to be achievable or appropriate, it assumes that all other things which distinguish one applicant from another are equivalent.

Many of you who have had Adverse Impact analysis conducted on your recruitment process will have heard of the 80: 20 rule. This rule originated in America and is a pragmatic test for the identification of bias. Given that there are other criteria that can legitimately impact selection rates, aside from the minority group characteristic (fundamentally the extent to which a candidate fits with the success profile/target hiring profile), Occupational Psychologists use this rule to prioritise areas of focus. If an assessment criterion is causing fewer than 80 minority group candidates to be progressed for every 100 majority group candidates, then the bias is so extreme that's unlikely to be justifiable by legitimate business need and needs to be addressed.

However, somewhere between 80-100 minority group candidates are being selected for every 100-majority group candidate, it becomes a slightly more complex picture. This is where your organisation's appetite to truly embrace difference gets tested.

Usually, success profiles and hiring criterion are anchored in the evaluation of what has worked historically and what good currently looks like in people performing that role within your organisation. The issue arises because typically, examples of what good looks like in your organisation will be dominated by majority group characteristics. It's therefore not surprising that the majority group applicants prove more likely to share those characteristics. If there are different ways to achieve an equally positive outcome not represented in your input data due to restriction of range (i.e. you do not have people who would achieve positive outcomes in that equally good, but different, way in your business) then to some extent, the diversity of your existing population becomes a self-fulfilling prophecy.

What we therefore encourage organisations to do is not to blame the tools but look to the workman. There's much debate about whether the 80: 20 rule is fit for purpose, and we say that it depends on what that purpose is. So long as people understand what it does and doesn't purport to do, then itself isn't the problem.

The much more significant problem is the assessment criteria being used and their potential for indirect bias. Therefore, we're going to be encouraging you all to critically evaluate your selection criteria. Mentally challenge yourselves over whether any of them have the potential to introduce bias, and cause you to deselect any of the minority groups you wish to increase representation from at a rate that is greater than your majority group. When you find them, challenge yourself to consider whether they are genuinely essential success criteria or whether they are just part of the profile because they're common characteristics of an incumbent majority.
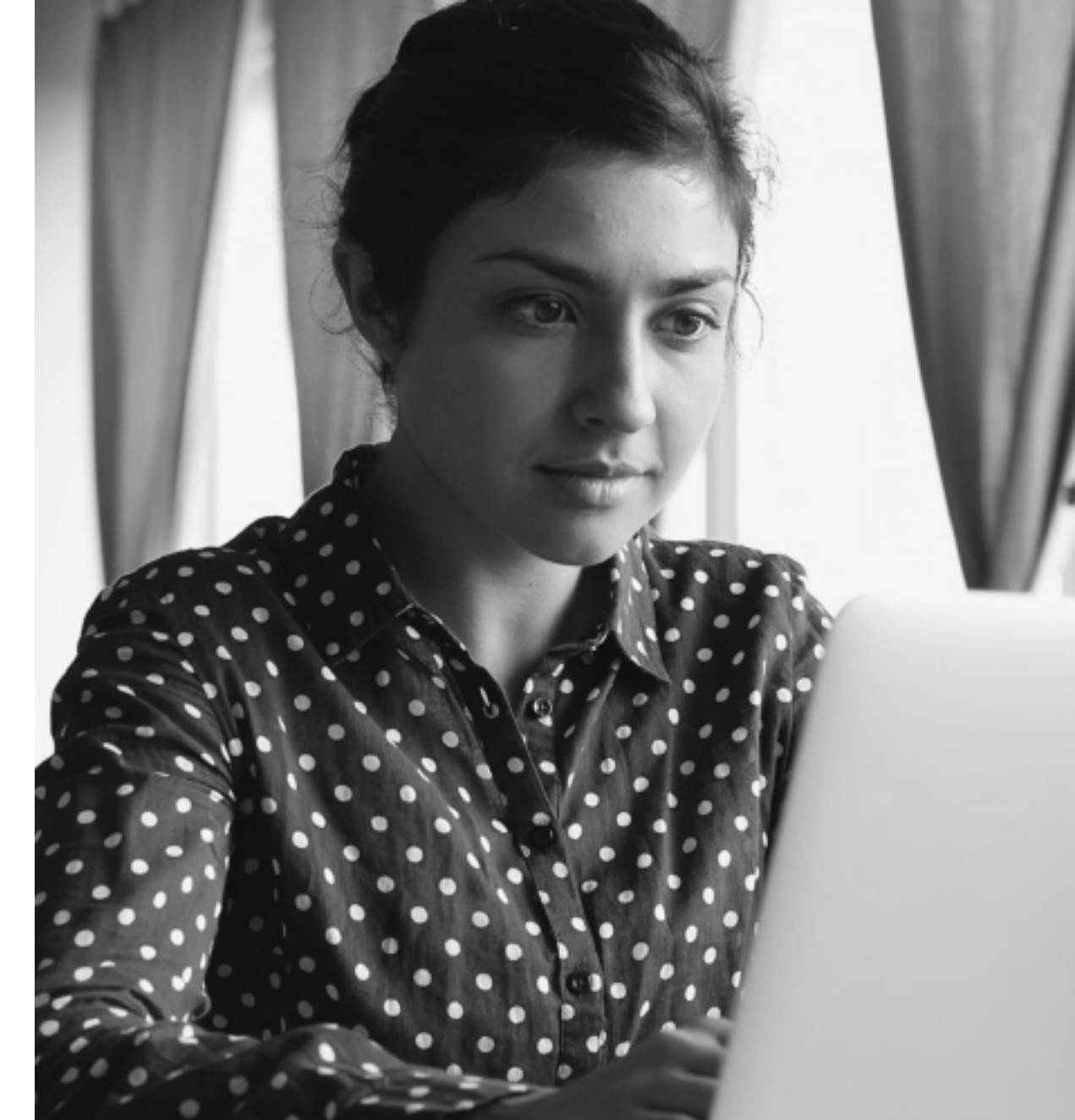
3. Inclusivity

Equality of opportunity Vs uniformity of experience and inherent barriers to Inclusivity.

As is already apparent from what we have covered, inclusivity is subtly different from diversity. It refers to the fairness, openness and accessibility of a recruitment process. Ensuring that your recruitment process is inclusive contributes to your chances of hiring a diverse cohort, though this does rely on there being a diverse applicant pool in the first place.

When we talk about inclusivity, attention often goes straight to accessibility for applicants with a physical or mental disability and those who are neuro-a-typical. This area is critical, but as important as it is that legislation protects people with disabilities. It's disappointing that disability is the only basis upon which the legislation compels or allows employers to make reasonable adjustments to make their recruitment process more inclusive.

Most people believe that fairness is inextricably linked with consistency, but we would argue that this is not always the case.

If you ask someone who has their legs tied together to run the same 100m track as someone who doesn't have their legs tied together, the fact that there's consistency in the task they're being asked to complete doesn't mean that they have an equal chance of getting to the end first, if at all. We firmly believe that inclusivity or fairness comes from creating equality of opportunity rather than consistency of recruitment experience.

When we apply this to a Future Talent recruitment process, we need to recognise that Future Talent Recruitment Processes are typically games of two halves: one half which is designed to sift-out people who don't meet your hiring needs, and the other half which is designed to select-in, from that shortlist, those who represent the best fit. It's very often those sift-out stages that are the trickiest from an inclusivity perspective. By necessity, they are usually automated or commoditised and often this means that they represent a potential barrier to Inclusivity, as they are anchored in evaluating applicants against a fixed picture of what a 'correct' response is. This is full of the inherent issues that we've already addressed in relation to selection criteria. It works for applicants who share characteristics with your majority groups (including members of a minority group who might be more similar to the majority group than their minority group peers), but becomes increasingly problematic, the more different someone is from a "typical" existing employee even though that doesn't automatically

mean that they couldn't be an equally great employee. From an accessibility perspective, if you use intelligent automation tools like the Amberjack platform, you can offer candidates a lot of very advanced functionality to ensure that applicants are able to make reasonable adjustments, without having to constantly raise their hands and ask for them. You can also ensure that things that are known to reduce inclusivity, like time limitations, are removed. Furthermore, our platforms will even deliver questions in a format specifically designed to meet the needs of neuro-diverse applicants. We know we're more committed to this than the general market, so we know that you'll get a more comprehensive set of options from us. We also know that the whole market pays some level of attention to this issue because legislation mandates it.

We're passionate about the huge untapped potential that exists within the talent pool of neurodiverse applicants and applicants with a physical or mental disability. It's hugely important that legislation mandates the making of reasonable adjustments for applicants who the Equality Act supports in this respect. But we would argue that this doesn't go far enough. We also need to be free to make similar adjustments for applicants who have suffered severe educational, social, or personal disadvantage.

In the same way that organisations use fast track processes to take applicants who have already proven themselves to be a prima facie fit with their hiring profile, (for example by successfully completing an internship process) straight to the select-in stage, we believe that organisations should create the same process for candidates whose characteristics are most extreme. For example, taking candidates who have been in the bottom 10th percentile schools, those who have been carers/refugees/in care to that final stage, which is more typically characterised by job simulation and by human assessors, who remain better able than computers to evaluate the effectiveness of outcomes when those outcomes might be different, but equally effective as outcomes that have been achieved before.

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In terms of piloting or testing stage of your tools within your selection process, if you have introduced a new test of exercise is it important to test those again on the different demographics that you are hoping to bring in. You can use this data to see if adverse impact is present. If it is, then further analysis will be required to see whether this is from the whole tool or a particular question or criteria and determine what needs to change and when.

Objective 3: Monitor the effectiveness of each tool, the whole process and those receiving an offer

Once you bring those candidates into the process it's typical to monitor the effectiveness of each of those tools to see how well they're achieving against your sift out rates and your pipeline control. If you're doing your adverse impact analysis, you should be conducting those at various different stages. It's also important to make sure you're looking at the whole process. When we think about being inclusive it's about who's getting those job offers. So, by monitoring at each stage, it can tell us where people are potentially being discriminated against within the tool, but ultimately, we need to ensure those people are getting offers within those minority groups.

The training and monitoring of your selection and decision-makers is nothing new but we also reinforce that assessors should be trained in Unconscious Bias. But we also take this further. Assessors need to understand the benefits of diversity in the business, what the business is trying to achieve with this, and the objective. Just saying to your assessors to come and complete some unconscious bias training will go some way to help them be aware of where their biases are, but if they're not brought in as stakeholders into the overall strategy and the benefits, it's unlikely to create big impact or big change.

Objective 4: Take action when needed

Making sure you collect, review and analyse data is extremely important. But you also need to be aware of all the potential flaws that could come into that data, make decisions at the right time, with the appropriate amount of sample data. The more data you have, the more confident you can be in what you're actually seeing through your process, instead of jumping in too early.

If you're conducting adverse impact analysis wait until you have good sample groups in all those different areas. We also advise to break down the BAME groups instead of reporting them as BAME vs Non-BAME). By breaking down BAME groups, you are likely to see different outcomes. If you group BAME you could say the adverse impact passes 80:20 or even going further to the 90:10 rule. As soon as you breakdown the BAME category, it's likely you will see that one group is more adversely impacted and skewing the data. If your objective is to bring in true diversity, then what's the point in ticking the box to say I've grouped all the BAME candidates and it's meeting the 80:20?

5. Positive Action

Positive action, as permitted by the Equality Act, is one of the more powerful tools available to organisations who truly want to turn the dial in relation to diversity. It is, however, something that needs to be applied with care to make absolutely sure it is fair and lawful.

Where organisations are able to provide concrete evidence of under-representation of protected groups, they may prioritise applications from members of those under represented groups over those of majority group applicants in situations in which those applicants can be considered of 'Equal Merit.

4. Fundamentals of Inclusive Assessment Design

There are a few big questions when it comes to assessment design.

- How can we design a selection process that brings consistency but also ensure that everyone is treated fairly?

- How can we decide on our legitimate critical criteria and assess candidates from all those different groups?

It's evident why we should do it but the how it sometimes what's missing. We've set out some key objectives to consider and some potential solutions to meet these:

Objective 1: Design a selection process free from direct discrimination

You are likely to set out on day one and want your process to be free from discrimination. Therefore, you don't add any criteria in there that means any one group of people of protected characteristics absolutely won't be able to achieve. Before you start to design your selection process it's about really challenging the criteria of the role and understanding where that's coming from. Is it because you have the analysis to show what's very predictive of successful performance in the role or it is because that's the way it's always been done? It could be your stakeholders have always received quality hires and therefore it's not broken so don't fix it. If you want to create a change,

it's likely you're going to have to change your criteria that you're bringing people into the business with. We recommend, through job analysis to understand the requirements of success in the role and test against the legitimate criteria.

Objective 2: Design selections tools which will not advantage one group over another

The next step is to design your selection tools to make sure that one group doesn't have an advantage over another.

If you are basing design on your high achievers and it's currently set based on one demographic, it's unlikely you're going to get that diversity of thought through your job analysis.

Therefore, it's critical to ask the business for the right representation. We can all appreciate for a lot of businesses this is extremely difficult, and quite often, there won't be the diversity of stakeholder required. But there are other ways of gaining this information. You may not necessarily need to speak directly to those individuals in those underrepresented groups, but you can question your current stakeholders about if there are other ways to achieve the outcome. You can also work with a consultancy, such as Amberjack, for outside research and knowledge and benefit from their other experiences.

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In order for this to be safely applied considerable care needs to be taken, ahead of the process starting, to both prove the need for Positive Action, and define the objective criteria which will make it possible to identify when candidates truly are of 'Equal Merit.' Processes also need to be optimally simple, with clear data and this typically works best with a block rather than rolling approach to process management.

Please contact us if this is something you would like to explore as it is definitely an area in which expert guidance is critical.

In terms of D&I for Future Talent Recruiting, what comes next? The Amberjack strategy and assessment teams are meeting soon after Easter to do some blue-sky thinking. To look at what we might recommend if we were to completely ignore any pre-existing paradigms and re-design assessment processes based on today's data, today's technology capability, today's understanding of the issues and todays' commitment to resolving them.

Stay in touch, share your input, and watch this space.